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## REMARKS/ARGUMENTS

The title of the invention has been amended to make it more descriptive because the shifting device is for shifting the continuous terminals during the manufacturing process.

The specification has been amended to meet the grammar requirements and to further describe and conclude some descriptions that can be easily made according to the original specification and original drawings without adding new matters. For example:

As shown in FIG. 7, the continuous terminals include a first row of continuous terminals 62 and a second row of continuous terminals 64 opposite to the first row of continuous terminals 62.

As shown in FIGS. 4, 6 and 7, the second row of continuous terminals 64 passes through the conduit 34, enters the inlet 32, goes out of the outlet 33, and then passes through the conduit 36.

The depth of the slot 52 is slightly greater than the thickness of the terminal band (or the continuous terminals) because the band is formed into the continuous terminals.

As shown in FIGS. 6 and 7, the second row of continuous terminals 64 enters the spiral channel 53 from the inlet 32 and goes out of the spiral channel 53 from the outlet 33 while the first row of continuous terminals 62 does not enter the shifting device 68 but travels over the inlet 32 and travels forward directly. Thus, the second row of continuous terminals 64 is shifted the distance X away from the first row of continuous terminals 62 at the outlet 33.

The abstract has been amended to meet the amended specification.

Regarding claim rejections of 35 USC 112, Application has amended claims 1-30 4 to claim the combination of the "shifting device" and the "continuous terminals".

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Regarding claim rejections of 35 USC 102, application has amended claims 1-4 to claim the combination of the "shifting device" and the "continuous terminals" and the continuous terminals are divided into a first row of continuous terminals (62) and a second row of continuous terminals (64).

The reference numerals are provided in parentheses next to the claimed limitation as follows.

Claim 1 (currently amended): A shifting device (68) for shifting continuous terminals (62; 64), the continuous terminals (62; 64) comprising a first row of continuous terminals (62) and a second row of continuous terminals (64) opposite to the first row of continuous terminals (62), the shifting device (68) comprising:

a body (30) formed with a hole (31) and an inlet (32) and an outlet (33) both communicating with the hole (31), a direction into the inlet (32) and a direction out of the outlet (33) being the same, the inlet (32) being shifted a predetermined distance (X) away from the outlet (33); and

a shaft (50) fitted with the hole (31) of the body (30) and defining a spiral channel (53) with the body (30) after fitting with the hole (31) of the body (30), the spiral channel (53) corresponding to the inlet (32) and the outlet (33) of the body (30), wherein the second row of continuous terminals (64) enters the spiral channel (53) from the inlet (32) and goes out of the spiral channel (53) from the outlet (33) while the first row of continuous terminals (62) travels over the inlet (32) such that the second row of continuous terminals (64) is shifted the predetermined distance (X) away from the first row of continuous terminals (62) at the outlet (33).

Claim 2 (currently amended): The shifting device (68) according to claim 1, wherein the shaft (50) is formed with a spiral slot (52) on its surface, and the spiral channel (53) is defined within the body (30) when the shaft (50) is fitted with the hole (31).

Claim 3 (currently amended): The shifting device (68) according to claim 1, wherein a horizontal conduit (34; 36), through which the second row of continuous terminals (64) passes, is provided at each of the inlet (32) and the

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outlet (33) of the body (30).

Claim 4 (currently amended): The shifting device (68) according to claim 1, wherein a depth of the slot (52) of the shaft (50) is slightly greater than a thickness of each of the continuous terminals (62; 64).

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Dempsey never discloses two rows of continuous terminals are shifted a predetermined distance after one row of continuous terminals enters the inlet and goes out of the outlet while the other row of continuous terminals travels over the inlet. Consideration of the currently amended claims 1-4 is therefore politely requested.

In light of the above-mentioned amendments and remarks, Applicant now asserts that all of the grounds for rejection have been traversed or overcome by amendments, and that all of the present claims are in condition for immediate allowance. Applicant therefore requests reconsideration of the rejections, and solicits allowance of the present claims at an early date.

Thank you for your consideration.

Respectfully submitted,

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